

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this 6th day of SEP, 2002, between the Department of Housing and Urban Development ("HUD") and Fidelity National Title Insurance Company. This Settlement Agreement applies to Fidelity National Title Insurance Company, its officers, directors, employees, successors, and assignees, and to all subsidiaries of Fidelity National Title Insurance Company and their officers, directors, employees, successors, and assignees ("Fidelity"). HUD and Fidelity together shall be referred to herein as the "Parties."

Whereas, Section 8(a) of the Real Estate Settlement Procedures Act ("RESPA"), 12 U.S.C. § 2607(a), requires that "[n]o person shall give and no person shall accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person.";

Whereas, HUD instituted an inquiry and investigation into certain practices of Fidelity and other title companies relating to their provision of "virtual tours" of residential real property offered for sale in Texas to real estate brokers or real estate agents at no cost to the brokers or agents for the period commencing on May 1, 2000, through and including the date of this agreement;

Whereas, the term "virtual tour" refers to the internet-based service by which any person can access a website that displays photographs of residential real property offered for sale and that the person may be able to manipulate to obtain a panoramic view of the interior and/or exterior of the property;

Whereas, Fidelity has provided HUD with information on both the volume of virtual tours Fidelity created and the costs associated with creating virtual tours;

Whereas, as a result of its inquiry and investigation, HUD asserts that by providing virtual tours, Fidelity has provided a "thing of value" in exchange for the referral of business in violation of Section 8(a) of RESPA;

Whereas, Fidelity denies that its provision of "virtual tours" as described above violates Section 8(a) of RESPA;

Whereas, the Parties desire to resolve any and all RESPA issues arising from the production of "virtual tours";

Whereas, this Settlement Agreement shall not constitute an admission of liability or fault on the part of Fidelity;

Whereas, the Parties desire to avoid further expenses and proceedings, and to reach a mutually satisfactory resolution of this matter by entering into this Settlement Agreement;

Whereas, this Settlement Agreement covers only those practices of Fidelity identified herein, known to and alleged by HUD regarding the provision of virtual tours in the State of Texas;

Whereas, by entering into this Settlement Agreement, HUD does not approve or authorize the use of "virtual tours" or any other ancillary business;

Whereas, the terms set forth in this Settlement Agreement are an appropriate disposition of this matter and in the public interest;

NOW, THEREFORE, in consideration of the mutual promises and representations set forth herein, and in further consideration for HUD's reliance upon the substantial accuracy and good faith of Fidelity's representations and submissions concerning the number of virtual tours provided by Fidelity and the cost to Fidelity of providing such virtual tours, the Parties hereby agree and intend to be legally bound by the following:

(1) As of the date of execution of this Settlement Agreement, whenever Fidelity provides a virtual tour with respect to residential real property located within the state of Texas, Fidelity will comply with all provisions of RESPA and with all of the provisions of Paragraph (2) of this Settlement Agreement.

(2) Whenever Fidelity provides a virtual tour to or for the benefit of any person in a position to refer title insurance business with respect to residential real property located within the State of Texas, Fidelity will provide such virtual tour only in accordance with the provisions of Paragraph (2) of this Settlement Agreement.

(A) Before providing a virtual tour, Fidelity shall charge and collect a fee for any virtual tour that it provides to a person in a position to refer residential title insurance business. Fidelity agrees not to provide a virtual tour for free. The fee shall not be less than the actual cost to Fidelity of providing the virtual tour. Any such fee collected that equals or exceeds the actual cost of the virtual tour to Fidelity shall be deemed reasonable.

(B) The fee charged and collected for any virtual tour shall be uniform for all purchasers of the virtual tour, and the virtual tour service shall be available, to the extent allowable by law, to any purchaser who wishes to avail himself or herself of the service.

(C) Fidelity shall notify in writing or by electronic mail, each and every real estate broker or real estate agent with whom it does business with that there is no agreement, understanding or requirement to refer business to Fidelity, if Fidelity provides such broker or agent with a virtual tour.

(D) Fidelity will not refuse to provide a virtual tour to any person because the person does not refer title insurance business to Fidelity.

(3) Within twenty (20) business days of the execution of this Settlement Agreement, Fidelity shall make a payment of \$22,680.00, payable to the United States Treasury.

(4) Fidelity waives, releases, and remits any and all claims directly or indirectly against HUD or HUD employees, whether known or unknown, with respect to this matter. HUD releases any and all claims as identified herein and known at the time of execution of this Settlement Agreement that might be made with regard to this matter against Fidelity.

(5) Based on Fidelity's compliance with the terms of this Settlement Agreement, HUD will terminate its related investigation and take no further enforcement action against Fidelity under Section 8 of RESPA as to this matter.

(6) HUD intends to apply and interpret the requirements of Paragraph (2) of this Settlement Agreement and Section 8 of RESPA uniformly for all title companies providing title services.

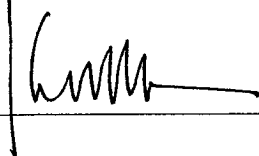
(7) Each of the Parties shall bear its own attorneys' fees and costs.

(8) Fidelity agrees to fully cooperate with HUD in its ongoing investigation of violations of RESPA with regard to virtual tours in the state of Texas.

(9) This Settlement Agreement is a binding and final agreement that applies to and binds each of the persons and entities identified in the first paragraph of this Settlement Agreement. Provided, however, that Fidelity shall be entitled to relief from the provisions of Paragraph 2 in order to engage in conduct permitted by RESPA in the event that section 8 of RESPA is amended or in the event that the provisions of Regulation X interpreting and applying section 8 of RESPA are amended.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first stated above.

FIDELITY NATIONAL TITLE INSURANCE
COMPANY

By: 

Signature: Kenn R. Chiaro

Title: Senior Vice President

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

By: John C. Weicher

Signature: 

Assistant Secretary for
Housing-Federal Housing
Commissioner